

City of LA Negotiates Deal For 24 Million N95 Masks

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INSIDE THE ISSUES

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“Those N95-type masks are highly-sought after and much has been made in the media about what the marketplace looks like today, and that it’s broken as far as the supply chain is concerned,” said Gene Seroka, Los Angeles City’s Chief Logistics Officer and Executive Director of the Port of Los Angeles.

Seroka said the contract with Honeywell will deliver 24 million masks over a 24 month period and is beneficial of Angelenos for three reasons. One reason is proximity: These masks are being manufactured in Phoenix, Arizona.

“Just some six hours up the I-10 Freeway from us here in Los Angeles, and more importantly our hospitals and the medical worker force,” Seroka said.

Another reason is certainty. L.A. medical workers don’t have to wonder when more masks will come.

“We have a specific production schedule that Honeywell will follow for delivery, so we’ll know exactly every month how many masks that we are going to receive, and how quickly we can get these out to our frontline medical workers,” he said.

The third reason is affordability. The city negotiated a low price for these N95 masks with Honeywell.

“As has been talked about quite a bit, these masks have been going for five and six dollars per unit. We were able to negotiate a price specifically for the city of Los Angeles at 79 cents per unit plus tax,” he said. “That also is great comfort to the hospitals because we will be passing this product along at cost to our frontline medical workers and emergency management teams.”

The city of Los Angeles signed an agreement with [@honeywell](#) to purchase 24 million N95 masks over the span of 24 months. The city negotiated a price of 79 cents per unit plus tax.

Gene Seroka of [@PortofLA](#) said [@MayorOfLA](#) [@ericgarcetti](#)'s connections helped the city seal the deal. pic.twitter.com/J0ROKxOtPY

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California Governor Gavin Newsom is still looking to China to get N95 masks. Mayor Garcetti was able to negotiate this deal with Honeywell in Arizona through a network of connected people.

“The Mayor put us in this position because of our strong relationships up and down the supply chain,” Seroka said. “And it was our own Avin Sharma who was chasing down leads, had a colleague who knew someone at Honeywell, and we began those discussions. And like most of our work in the supply chain business, we count on those relationships and introductions to try to strike a business deal.”

Seroka said the City negotiated its own deal for N95 masks because “we knew that there was no existence of a federal stockpile, and unfortunately here in the state of California, it’s so over-subscribed.”

“Network and having people with strong acumen in this area were really the keys to success,” Seroka said.

Seroka said the Port of L.A. will play a part in how efficiently these masks are distributed to medical workers.

“We developed the nation’s first and to-date only port community system with General Electric Transportation and the Wabtec company. Basically this system gives early visibility through a partnership with the U.S. Customs of our overseas shipments that come to the Port of Los Angeles,” he said. “We then asked Wabtec to develop a medical optimizer, which they stood up in record time, in an effort to help us look at purchase orders from the hospitals, match those up with supplies from manufacturers and distributors, and then be able to ascertain very quickly what the gap in supply and demand is.”

Logistics Victory L.A. is a resource linking suppliers of COVID-19 personal protective equipment (PPE) with organizations in need of supplies.

“As we get these masks from Honeywell, which was a new supplier who came back into this medical space, we did not have to step over hospital orders or de-prioritize those orders. We brought in a new supplier,” Seroka said. “And from there, the factory will distribute here to a warehouse in Los Angeles that we manage as the city of L.A. And then through our technology, we’ll be distributing those products directly to the frontline hospitals.”

The system for distributing these N95 masks is organized down to a science.

“We have a cache of inventory systems, so we know what the intake is and the output that’s necessary for our frontline medical workers. This will combine not only the contract that we’ve signed with Honeywell, but so many donations that we’ve received to date and other products that we have procured,” Seroka said.

Angelenos have also donated personal protective equipment through Logistics Victory L.A.

“Harbour Freight, right here in Los Angeles, has been providing shields and gloves and other products. We received 16,000 safeguards from the Apple Corporation, and so many others like Next Trucking, shipping giant CMA CGM, and even Operation USA, a non-profit right here in Wilmington, California has donated products so we could get them out to the frontlines.”

The masks from Honeywell are intended for frontline workers. Civilians should refrain from ordering them.

“All the medical advice that we’ve received so far, including from Dr. Barbara Ferrer, our top doctor here at Los Angeles County Health Services, requests that we civilians wear masks that are reusable and washable,” Seroka said. “Holding onto these N95s that are at the highest level of certification in the United States should be reserved for those frontline medical workers and the emergency management teams that will frequently have to visit the ill and make determinations on what their medical conditions will be.”

Seroka said there’s such a high demand for N95 masks that the supply cannot keep up with the demand from our hospitals.

“This is a call out to the public: Please know that we are taking the advice of medical experts. We’re reserving these N95s for the hospital workers, medical experts, as well as our frontline emergency management technologists, and the other masks that are washable, wearable, will be reserved for us citizens as we go to and from the grocery store or for those critical workers that are on the job everyday today.”

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